Foreign CROPS AND MARKETS

FOR REALEASE MONDAY, SEPTEMBER 5, 1960

VOLUME 81 NUMBER 10

CONTENTS

(Continued on following page)

UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE
WASHINGTON 25, D. C.

CONTENTS (Continued)

L A T E   N E W S

Spain is calling for bids on 20,000 cases of shell eggs. Bids are to be submitted not later than September 15th.

\- - - - -

NEW PUBLICATIONS RELATING TO U.S. FOREIGN AGRICULTURAL TRADE

Single copies free to persons in the United States from the Foreign Agricultural Service, U.S. Department of Agriculture, Washington 25, D. C., Room 6922. Phone: DUdley 8-2445.

Recent Trends in Argentina's Livestock Industry. FAS-M-94. 34 pp.

Australia Imports U.S. Beans. Foreign Agriculture Circular FDP 6-60. 2 pp.

Recent Dutch Trade Liberalization Shortens List of Restricted Farm Commodities. Foreign Agriculture Circular FATP 21-60. 3 pp.

World Banana Trade Continues Upward. Foreign Agriculture Circular FDAP 2-60. 3 pp.

U. S. TOBACCO IMPORTS CONTINUE TO RISE

U. S. imports of tobacco for consumption rose to 81.1 million pounds in January-June 1960 from 75.7 million in the first 6 months of 1959--a gain of 7 percent.

Cigarette leaf imports (largely oriental) totaled 59.2 million in January-June 1960, compared with 54.3 million in January-June 1959; the scrap total was 15.3 million this year--13 percent larger than the 13.6 million imported a year ago. Cigar filler (stemmed and unstemmed) totaled 6.0 million pounds this year--down 9 percent from a year earlier. Turkey and Greece together supplied 90 percent of cigarette leaf imports this year; Cuba and the Philippines furnished 91 percent of the total cigar filler and scrap categories.

TOBACCO, UNMANUFACTURED: U.S. imports for consumption 1/
January-June, 1959-1960

Commodity and origin	January-June 1959	January-June 1960
	1,000 pounds	1,000 pounds
Cigarette leaf:		
Turkey	33,364	37,115
Greece	15,685	16,228
Yugoslavia	2,046	2,610
Others 2/	3,233	3,216
Total	54,328	59,169
Cigar filler (stemmed and unstemmed):		
Cuba	6,417	5,286
Philippines	169	512
Others	29	163
Total	6,615	5,961
Cigar wrapper (total)	323	294
Scrap:		
Cuba	8,080	7,556
Philippines	5,054	5,958
Others	442	1,770
Total	13,576	15,284
Stems	875	412
Grand total	75,717	81,120

1/ Includes withdrawals from bond for consumption and releases from customs immediately upon arrival. 2/ Largely Italy, Syria, Cyprus and Yugoslavia.

THAI CIGARETTE SALES AT RECORD LEVELS

Sales of Thailand's domestic brands of cigarettes during the first half of 1960 were at record levels--4,650 million pieces, compared with 4,305 million in January-June 1959.

The biggest sales gain, both in percentage and volume, was made by the "Samit" brand, which contains a high proportion of U. S. leaf. "Gold City 85"--Thailand's first domestic king size brand-has achieved highly satisfactory sales since it was introduced in March 1960. Smokers continued to purchase standard size "Gold City" at the same rate as in January-June 1959. Both of the "Gold City" brands are made almost entirely of U.S. leaf tobacco.

The "Gold City" and "Samit" brands have been widely advertised by the Thai Tobacco Monopoly through a joint market development program undertaken by Monopoly, and the U. S. tobacco trade cooperating with the U. S. Department of Agriculture.

RHODESIAN FLUE-CURED TOBACCO SALES

Sales of 1960 crop Rhodesian flue-cured at the Salisbury auctions averaged the equivalent of 42.5 U.S. cents through the eighteenth week of marketings. This compared with 40.1 cents for the corresponding period of sales a year ago. About 137 million pounds were sold this year, compared with 115 million for the similar period last year.

SMALLER JAPANESE TOBACCO CROP EXPECTED THIS YEAR

Early season forecasts, based on planted areas, place the 1960 crop of tobacco in Japan at 279 million pounds--a drop of 2 percent from the 285 million harvested in 1959. Flue-cured production is placed at 165 million pounds this year, compared with 180 million a year ago. But increases in Burley and native light sun-cured partially will offset the drop in flue-cured.

SOVIET UNION NOW WORLD'S SECOND LARGEST TOBACCO IMPORTER

According to Soviet Trade Statistics the Soviet Union imported about 213 million pounds of tobacco in 1959. This places it next to the United Kingdom as a tobacco importer, and shows it to be the fastest rising major importer of tobacco in the world. Soviet leaf imports in 1959 were 74 percent greater than the 122 million pounds purchased in 1955 and 15 percent greater than 186 million pounds imported in 1958.

Bulgaria replaced Mainland China as the chief source of supply in 1959. Leaf imports from Bulgaria in 1959, at 84 million pounds, were 65 percent greater than the 51 million pounds in 1958. Mainland China shipped nearly 100 million pounds of tobacco to the Soviet Union in 1957, 87 million in 1958, and 80 million in 1959. Bulgaria and Mainland China supplied 77 percent of the Russian imports in 1959.

Shipments of leaf from Bulgaria in 1959 partially replaced oriental tobacco from other sources, mainly Turkey, Greece, Albania, and Yugoslavia. Turkish tobacco exports to the Soviet Union dropped from 11 million pounds in 1958 to about 3 million in 1959. Greek shipments to the Soviet Union dropped from 12 million pounds in 1958 to about 9 million in 1959. Albanian shipments dropped about 33 percent from 1958. The Soviet Union imported no tobacco from Yugoslavia in 1959 after importing over 6 million pounds annually during the 1955-57 average. North Korea, Hungary, and Romania increased tobacco shipments to the Soviet Union in 1959.

Russian tobacco imports have increased since 1955 for 3 reasons. Cigarette output in the Soviet Union is rising rapidly; about 243 billion cigarettes were produced in 1959--nearly half the output of 490 billion in the United States. Secondly, domestic leaf production is below prewar levels and not increasing; therefore, the demand for imported leaf has risen in the last 5 years. The third reason is related to trade policy and politics. Tobacco serves as a convenient medium through which Bulgaria and Mainland China can pay the U.S.S.R. for industrial machinery, petroleum, and manufactured goods.

SOUTH AFRICA UNLIKELY TO BECOME IMPORTANT SORGHUMS EXPORTER

Information obtained for the U.S. grain sorghums industry indicates that the Union of South Africa is not likely to become an important competitor of the United States as a grain sorghums exporter.

The Union is a relatively small producer, and over 80 percent of its grain sorghums production is used domestically.

South Africa's 1960 grain sorghums crop (harvested in February-May) is now estimated at 7.9 million bushels, compared the U.S. crop of 538.9 million bushels. Sorghums production in the 2 countries during 1959 was 8.5 million and 579.2 million bushels, respectively.

The Union of South Africa uses about 6.4 million bushels of grain sorghums annually. This leaves only about 1.5 million bushels of the 1960 crop available for export, assuming no changes in existing stocks, which on May 1 were about 750,000 bushels.

The only type of grain sorghums grown in South Africa is kaffircorn, and over 60 percent of the annual production is used in producing kaffir beer for the Bantus. Other uses are for manufacturing breakfast and infant foods.

The government is considering making European types of beer available to the Bantus but it is expected that the resulting decline in kaffir beer consumption by the Bantus would be offset by consumption of this beer in the "European" bars if it is put on sale in all such bars.

U.S.S.R. EXPANDING CROP
ACREAGE BY RECLAMATION

Although the current 7-year plan for Russian economic development calls for increased agricultural production primarily through higher yields, the Reclamation is not only being done in the "new land" areas of Kazakhstan and Siberia, but also in the European section of the U.S.S.R.

In Kazakhstan 3,088,750 acres of virgin land have been plowed this year and, according to the Soviet press, virgin land in this region was still being plowed in early August. Elsewhere, in the Rostov Oblast in the heart of the Soviet winter wheat belt, the area sown to corn and small grains (primarily wheat) is to be expanded by plowing 494,200 acres of virgin land plus 123,550 acres of meadow. In the Poles'e region of the Ukraine 494,200 acres of land were to be drained and reclaimed during the 7 years, 1959-1965. In spite of the soils in this region being infertile, having poor moisture retentive ability and requiring heavy annual fertilization, the collective farmers in the region have undertaken to drain and reclaim 3 times more land than originally planned and to complete the reclamation work in just 4, rather than 7 years.

Increased crop acreage has been a major factor contributing to the Soviet Union's rapid and substantial increase in outturn of farm commodities during recent years. The Soviet Government inaugurated in 1954 a program of large-scale acreage expansion, which has become known as the "new-lands" program. By 1960 the area sown to crops had increased 113 million acres relative to 1953, but the period of most rapid expansion was 1954-56 when almost 93 million acres of additional land were sown to crops. The acreage of sown crops declined somewhat during 1957 but has since increased a little each year, reaching an estimated 501.4 million acres in 1960.

The so-called "new-lands" are located mostly in the subhumid and semi-arid zones of Asiatic U.S.S.R., east beyond the Volga River and the Ural Mountains. The climate in these regions cause fluctuating yields which result in a low average outturn, even on the fertile Chernozem and Chestnut soils. These same conditions would apply to most potential additions to the cultivated area. Any available acreage for further expansion of crop area is located, for the most part, in regions adversely affected by aridity of short growing seasons, or both.

Expansion of the sown area in the Soviet Union has not been limited exclusively to the eastern regions. In parts of the Ukraine and North Caucasus, pasture and natural meadowland have been seriously diminished by the encroachment of plowlands. Although these regions of established plowlands have a favorable climate and fertile soils any farther substantial increase of sown area at the expense of pasture and meadow seems unlikely.

Despite its tremendous total of 5.5 billion acres, the Soviet Union has only about 530 million acres of tillable land compared with 475 million in the United States. Much of the Union is not suited for farming; about 75 percent of the total land mass consists of deserts, mountains, swamps, tundra and forests.

FRANCE EXTENDS LIBERALIZATION BENEFITS

On July 20, 1960, the French Government extended the benefit of all liberalization measures undertaken to date (Foreign Crops and Markets, January 11, 1960) to the French Overseas Departments of Martinique, Guadeloupe and French Guiana. However, these Departments retain quantitative restrictions and licensing requirements on unmanufactured and semifinished wood products.

Two freed agricultural items of particular interest to U.S. exporters are baby chicks and mixed poultry feeds. U.S. exports of baby chicks to the French West Indies amounted to $29,000 in 1958 and $30,000 in 1959; and to French Guiana, $4,000 in 1958 only. U.S. exports of mixed poultry feed to the French West Indies were valued at $10,000 in 1958 and $7,000 in 1959 and to French Guiana $19,000 in 1959.

GUATEMALA EXPORTS CATTLE TO MEXICO

The President of Guatemala recently announced that Mexico wished to import 6,000 head of cattle from Guatemala, if the animals could be delivered within 1 month.

Already 2,000 head of cattle have been shipped with another 1,200 head rounded up and awaiting shipment. If Mexico grants an extension to the original 30-day deadline, the remainder will be shipped by October 31.

The price paid to farmers for these cattle, mostly grass fat steers weighing about 950 pounds each, was 11-1/2 cents per pound on the farm or 12 cents delivered to railroad stations.

ARGENTINE MEAT BOARD ANNOUNCES NEW PROCEDURE FOR BUYING CATTLE

The Argentine Meat Board announced that on August 20, 1960 a new method for purchasing cattle from farms would become effective.

The new method provides that the sales price shall be agreed upon at the time the contract is signed at the farm level. Hence, the farmer's price will be determined at the date of contracting rather than the date of delivery. However, even under this method, the final price will have to be determined on the basis of carcass grade and yield, but the value of each grade will be predetermined by the contract.

Previously the farmer agreed to turn over his cattle to the buyer with the understanding that the prices to be paid would be determined at the date of sale or auction some weeks later. Under this method the farmer never really knew what he was going to receive.

U.S. IMPORTS OF LIVESTOCK AND MEAT PRODUCTS CONTINUE TO DECLINE

U.S. imports of livestock and meat products continued to decline during June. Pork and lamb imports were the only red meat items which were above the June 1959 level. Total red meat imports during the month were 35 percent below last year, while variety meat imports declined 23 percent. Imports of most other livestock products also declined during June.

Beef and veal imports during June declined 43 percent from a year earlier, while the January-June total was 32 percent lower. Reduced imports of boneless beef (7 percent) and lightly salted beef from South America (98 percent) are largely responsible for the decline in beef and veal imports during the first half of this year.

Imports of mutton during January-June were 26 percent below the same period last year, reflecting to some extent the increased production of manufacturing-type meats in the United States. Lamb imports in June were up 29 percent from a year ago and for the first 6 months were 79 percent above the comparable period last year.

Imports of sheep and goat sausage casings increased both for the month of June and for the first half of the year, whereas imports of miscellaneous natural casings were declining.

Wool imports (both dutiable and duty free) in June were 7 percent below last year and total imports for January-June were 26 percent below January-June 1959. Apparent stock reductions and reduced demand were largely responsible for this decline. Imports of hides and skins during the first 6 months continue to be sharply below a year earlier as a result of reduced demand and lower prices.

LIVESTOCK PRODUCTS: U.S. imports of selected items, June 1959 and 1960
January-June 1959 and 1960, with percentage change
(Product weight basis)

Commodity	June 1959	June 1960	Percent change	January-June 1959	January-June 1960	Percent change
	1,000 pounds	1,000 pounds	Percent	1,000 pounds	1,000 pounds	Percent
Red meats:						
Fresh, frozen, canned, and cured beef & veal	56,785	43,043	-25	263,337	230,660	-12
Other meats 1/........	19,856	667	-97	86,484	10,319	-88
Total beef & veal...	76,641	43,710	-43	349,821	240,979	-32
Pork....................	15,706	17,329	+11	98,066	88,558	-10
Mutton..................	6,042	2,666	-55	28,047	20,565	-26
Lamb....................	810	1,049	+29	4,132	7,432	+79
Total red meat........	99,199	64,754	-35	480,066	357,534	-26
Variety meats..........	244	190	-23	1,043	1,005	-3
Sausage casings:						
Sheep and goat........	274	592	+116	2,291	2,656	+16
Other natural.........	950	808	-15	4,876	4,785	-2
Wool (clean basis):						
Dutiable..............	7,639	6,927	-9	59,205	43,817	-26
Duty free.............	17,908	16,756	-6	112,616	83,054	-26
Total wool..........	25,547	23,683	-7	171,821	126,871	-26
Hides & skins (1,000 pcs)						
Cattle................	155	21	-86	609	172	-72
Calf and kip..........	128	155	+21	892	523	-41
Sheep and lamb........	3,943	3,822	-3	22,232	19,319	-13
Goat and kid..........	2,027	2,189	+8	13,358	11,293	-15
Live cattle (number)....	66,365	39,011	-41	448,606	388,361	-14

1/ Other meat, canned, prepared, or preserved; mostly salted boneless beef from South America during 1959.

Bureau of the Census.

WORLD WOOL CONSUMPTION HIGHER IN FIRST HALF OF 1960

Raw wool consumption in the 10 countries which report quarterly to the International Wool Study Group was up 9 percent in January-June 1960.

Mill use rose sharply in all countries except the United Kingdom, the United States, and the Netherlands. U.S. consumption was down 4 percent from the high level of a year ago when the recovery from the textile recession of 1957-58 was in full swing. Recovery started later in most of the other major consuming countries and has carried over into 1960.

World wool consumption now appears to be leveling off. Mill use in the 10 countries during the second quarter of 1960 was about the same as a year ago but down 4 percent from the first quarter of this year. Japan was the only country showing higher consumption than in the previous quarter. However, when adjusted for fewer working days, total wool use in these countries during April-June was at about the same rate as in January-March.

RAW WOOL: Estimated consumption in specified countries, clean basis

Country	1959	1960		January-June		Percent change
	Apr.-June	Jan.-Mar.	Apr.-June 1/	1959	1960	
	Mil. lbs.	Mil. lbs.	Mil. lbs.	Mil. lbs.	Mil. lbs.	Percent
United Kingdom	132.6	135.0	122.6	259.3	257.6	-1
United States 2/	115.8	113.8	106.3	228.6	220.1	-4
France	73.5	77.3	73.2	125.4	150.5	+20
Japan	58.8	63.9	68.5	106.0	132.4	+25
Italy	43.9	52.8	52.1	82.2	104.9	+28
Germany, West	37.9	41.9	39.7	72.3	81.6	+13
Belgium	19.1	22.2	20.9	38.4	43.1	+12
Australia	18.8	17.6	20.4	33.6	38.0	+13
Netherlands	6.8	5.6	5.2	12.6	10.8	-14
Sweden	2.8	3.2	3.1	5.5	6.3	+15
Total	510.0	533.3	512.0	962.7	1,045.3	+19

1/ Preliminary. 2/ Includes estimated consumption on cotton and other spinning systems and in batting and felt manufacture.

Commonwealth Economic Committee.

AUSTRALIAN TALLOW EXPORTS UP 57 PERCENT IN 1959-60

Australian exports of inedible tallow in 1959-60 totaled 180 million pounds, up 57 percent from the previous season and almost double the 1955-56 total. Shipments were boosted by greater supplies and improved demand in most markets. Sharp increases in exports to South Africa, Ceylon, Communist China, Malaya, and Pakistan accounted for the rise in 1959-60.

Australia is the United States leading competitor in the world tallow market, although its exports are relatively small compared with U.S. exports of 1,328 million pounds of inedible tallow in 1959. With the exception of Japan, Australia's markets, since they are largely confined to Commonwealth and Asian countries, are not major U.S. markets. Exports to Japan declined in 1959-60 following a substantial rise in the previous 2 seasons. With Japan's liberalization of tallow imports earlier this year, the United States is expected to gain an even larger share of the Japanese market.

AUSTRALIA: Exports of inedible tallow, July-June 1955-56 through 1959-60

Country of destination	1955-56	1956-57	1957-58	1958-59	1959-60
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
United Kingdom	25,648	20,496	10,047	15,217	18,183
Rhodesia and Nyasaland	1,232	6,160	4,726	4,246	9,193
Union of South Africa	4,480	7,728	24,865	25,225	26,674
Burma	16,800	15,792	7,110	6,018	9,043
Ceylon	4,144	3,808	1,585	2,288	10,297
China, Mainland	1/	1/	1,299	757	13,608
Formosa	1/	1/	1/	2,093	6,249
India	6,160	5,264	2,940	3,422	7,317
Japan	13,440	9,968	21,159	34,659	26,032
Malaya, Federation of	5,488	12,768	6,687	5,162	16,061
Pakistan	1,008	4,368	7,557	4,048	12,111
Thailand	824	4,480	4,814	4,940	5,126
Others	13,512	14,112	5,554	7,518	10,550
Total	92,736	104,944	98,343	115,193	180,444

1/ If any, included with others.

ITALIAN WALNUT
CROP LARGER

The 1960 commercial walnut pack in Italy may amount to 28,000 short tons, unshelled, according to preliminary estimates. The crop is reportedly good in the important Sorrento area and fair to good in other regions. Average production (1953-57) is 20,200 tons. The pack in 1959 was 22,000 tons and in 1958, 25,000 tons.

Prices quoted in mid-August, c.i.f. New York, fall shipment, were: Naples light halves 68 cents per pound, Piedmont light halves 73 cents, Naples light amber pieces 48 cents, and Sorrento unshelled (26 mm.) 25 cents.

Italian exports (unshelled equivalent), which totaled 15,700 short tons in 1958-59 and approximately 15,000 tons in 1959-60, could attain 18,000 tons in 1960-61 should the present crop forecast materialize.

COTTON MILL TO BE BUILT
IN NEW ZEALAND

It has been announced that a British corporation will establish a £5 million ($14 million) cotton mill in New Zealand in the Nelson area (South Island). The plant is to be in operation by October or November 1961.

This is the first cotton manufacturing establishment built in New Zealand and it is scheduled initially to produce such products as colored or bleached fabric, surgical dressings and meat wrappings. The source of the raw cotton for this mill has as yet not been announced.

U. S. HIDE AND SKIN EXPORTS
IN JANUARY-JUNE 1960

U. S. exports of cattle hides and calf skins were up sharply in the first half of 1960, but shipments of kip skins and sheep and lamb skins declined. The rise in cattle and calf is attributed to sharply reduced prices from last year's high levels.

Most of the increase in cattle hide exports went to the Netherlands and Japan as these 2 markets took over half of the shipments. The Netherlands, Switzerland and the United Kingdom accounted for most of the rise in calf skin exports. Considerably reduced exports to the United Kingdom from the high level of a year ago resulted in lower sheep and lamb skin shipments.

HIDES AND SKINS: U.S. exports, annual 1957-59, January-June 1959-60

Country of destination	Annual 1957	Annual 1958	Annual 1959	January-June 1959	January-June 1960	Increase or decrease (-) 1960
	1,000 pieces	1,000 pieces	1,000 pieces	1,000 pieces	1,000 pieces	1,000 pieces
Cattle hides:						
Canada	818	580	532	310	239	-71
Mexico	424	330	503	208	235	+27
Germany, West	812	615	629	343	300	-43
Italy	144	154	60	19	80	+61
Netherlands	1,369	869	568	260	739	+479
Poland	5	295	92	35	57	+22
United Kingdom	390	167	47	25	41	+16
Yugoslavia	203	195	139	78	33	-45
Turkey	149	200	137	103	71	-32
Japan	1,397	1,438	1,083	624	876	+252
Others	806	555	306	113	302	+189
Total	6,517	5,398	4,096	2,118	2,973	+855
Calf skins:						
Canada	704	671	573	330	319	-11
France	36	143	24	6	8	+2
Germany, West	300	361	150	80	62	-18
Italy	194	249	205	119	90	-29
Netherlands	196	250	129	40	91	+51
Switzerland	50	126	26	10	57	+47
United Kingdom	110	45	13	5	50	+45
Japan	412	404	178	114	113	-1
Others	68	104	116	47	41	-6
Total	2,070	2,353	1,414	751	831	+80
Kip skins:						
Germany, West	417	251	128	57	48	-9
Netherlands	181	108	127	58	46	-12
United Kingdom	98	10	4	0	13	+13
Japan	405	186	95	68	36	-32
Others	125	160	129	76	37	-39
Total	1,226	715	483	259	180	-79
Sheep and lamb 1/:						
Canada	609	502	799	374	390	+16
Mexico	62	108	131	43	53	+10
Italy	6	2	77	1	61	+60
Germany, West	23	48	37	5	15	+10
Sweden	62	95	120	53	38	-15
United Kingdom	382	412	606	401	226	-175
Others	2/ 210	3/ 198	157	96	125	+29
Total	1,354	1,365	1,927	973	908	-65

1/ Includes goat and kid skins. 2/ Includes 107 to France. 3/ Includes 134 to Poland.

Bureau of the Census.

THAILAND EXPANDING CORN PRODUCTION

Thailand's corn acreage and production have been increasing steadily since 1950 and corn now ranks second only to rice in value of production.

Yields per acre during the past 10 years have also risen but not as much as might be expected. Yields in 1959 were reported to be just under 20 bushels per acre. While this is about double the low yields reported for 1950, it is much below the possibilities for the area. Agricultural experts believe that soil and climate in much of the north and northeast are such that yields several times the present level would be feasible, with proper cultivation and use of fertilizer.

Virtually all of the corn is produced for export. Use for food and feed is very small; a small amount for poultry is the only domestic feed used.

CORN: Acreage, yield, and production in Thailand, 1950-59

Year of harvest	Acreage	Yield per acre	Production	Export
	1,000 bushels	Bushels per acre	1,000 bushels	1,000 bushels
1950	84	10.3	866	496
1951	102	12.7	1,299	890
1952	108	13.1	1,417	992
1953	118	13.7	1,614	1,366
1954	130	15.1	1,968	1,457
1955	138	15.4	2,126	2,685
1956	204	17.8	3,622	3,208
1957	239	18.0	4,291	2,531
1958 1/	390	18.7	7,283	6,413
1959 1/	564	19.7	11,102	9,322

From official sources except as otherwise stated.

1/ Unofficial estimates.

U.S. EXPORTS OF SAUSAGE CASINGS LOWER IN FIRST HALF OF 1960

U.S. exports of hog casings and other natural casings--mainly beef--in the first half of 1960 were down 16 and 8 percent, respectively, from the same period of 1959. The decline resulted primarily from reduced demand from the United Kingdom, Netherlands, and New Zealand for hog casings and lower exports of other casings to West Germany and Norway.

Shipments of both types of casings to Canada, Spain, and Switzerland rose significantly. Hog casings exports to the Union of South Africa were also up considerably.

SAUSAGE CASINGS NATURAL: U.S. exports by country of destination, annual 1957-59 and January-June 1959-60

Country of destination	Annual			January-June		Increase or decrease (-)
	1957	1958	1959	1959	1960	1960
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Hog casings:						
Canada	88	23	103	39	124	+85
United Kingdom	2,617	3,106	3,977	1,809	1,329	-480
Netherlands	852	650	1,016	541	292	-249
Belgium	650	545	896	390	318	-72
Germany, West	1,004	769	1,351	468	484	+16
Switzerland	336	207	452	209	269	+60
Spain	620	634	601	61	256	+195
Union of South Africa	371	411	430	186	299	+113
Australia	935	1,061	1,076	594	612	+18
New Zealand	633	546	661	376	187	-189
Other	296	327	454	354	60	-294
Total	8,402	8,279	11,017	5,027	4,230	-797
Other animal casings 1/						
Canada	361	303	293	119	201	+82
Cuba	182	133	125	83	44	-39
Sweden	59	29	25	18	10	-8
Norway	774	761	634	121	34	-87
Denmark	45	56	115	53	28	-25
United Kingdom	178	151	285	82	127	+45
Netherlands	1,243	320	352	171	216	+45
Belgium	579	198	199	40	83	+43
Germany, West	2,511	1,650	1,783	1,063	470	-593
Switzerland	1,634	1,499	1,685	700	847	+147
Spain	2,394	3,063	1,629	435	586	+151
Other	150	245	269	112	116	+4
Total	10,110	8,408	7,394	2,997	2,762	-235

1/ Casings not elsewhere classified, mainly beef.

U.S. Bureau of Census.

NEW ZEALAND MEAT SHIPMENTS TO U.S. IN SEPTEMBER AND OCTOBER

Four ships are scheduled to sail from New Zealand during September and early October with 8,176,000 pounds of meat for the United States.

Ship	Sailing date	Destination	Quantity (1,000 pounds)
Taranaki	Sept. 24	East Coast	5,600
Port Lincoln	Oct. 8	" "	672
Mariposa	Sept. 10	West Coast	336
Egyptian Reefer	" 29	" "	1,568

REDUCED RICE CROP INCREASES PAKISTAN'S IMPORT NEEDS

Rice import requirements of East Pakistan is 1960 are estimated at 450,000 long tons. In 1959, around 300,000 tons of rice were imported.

Rice stocks on hand at the beginning of the May-April, 1959-60, marketing year were estimated at 1.5 million tons -- more than double those of May 1 a year earlier. The large carryover came mainly from the bumper winter harvest last December-January.

However, this season's autumn crop (25 percent of the annual harvest) is well below average because of too little rain at planting time. The estimate of around 1.6 million tons of milled rice is between 500,000 and 600,000 tons below last year's autumn crop. It is still too early to estimate the 1960-61 winter crop (71 percent of the total) to be harvested next December-January.

Rice imports into East Pakistan from January through July 1960 were 159,400 long tons, all from Burma. Planned imports during 1960, by source, are as follows (1,000 long tons): Burma, 246 - under the second long-term agreement; Egypt, 40 - barter agreement; Thailand, 50 - commercial purchases; United States, 100 - requested; other, 14 - commercial purchases for which foreign exchange has been made available; total, 450. Also, about 100,000 tons of rice will be taken from West Pakistan.

Over 32,800 tons of high-quality rice were exported from West Pakistan from January through July 1960, principally to the Near East (Iraq, Persian Gulf ports, Saudi Arabia, and other Arabian States). About 57,200 tons are still available for export in 1960. Average f.o.b. export prices of April-July exports were as follows (per 100 pounds): Basmati, $7.51; Parmal, $5.63; and Begmi, $5.01.

West Pakistan's 1960 acreage in high-quality rice is significantly larger than last year. Adequate rainfall permitted the increase; the size of the harvest will depend on water supplies available for irrigation of the large acreage until harvest (September-November).

CUBA IMPORTS RICE FROM NEW SOURCES

In May and June this year Cuba imported 220,000 bags of clean pearl-type rice from the United Arab Republic. After July 1, an additional 20,000 bags were permitted entry against the 1959-60 quota.

Since July, 1 the beginning of the 1960-61 rice quota year, Cuba has arranged to purchase around 500,000 bags from the U.A.R. Also, under a Cuban-Communist China trade agreement, Cuba has agreed to buy 2,200,000 bags of clean rice in the next few months.

Trade sources report about 72,750 bags of rice from North Vietnam and Communist China, now stored in Antwerp, Belgium, have been purchased, as well as over 99,000 bags from Ecuador. In recent weeks, Cuba has been trying to negotiate for the purchase of a substantial quantity from Thailand-reportedly 880,000 bags - but so far has failed.

In early July the Ministry of Commerce, in Resolution No. 254, set a pattern for distributing the basic low-duty quota of 3,298,000 bags to be imported from the United States in the 1960-61 quota year. However, the 825,000 bags allotted for import in the July-September 1960 quarter have not been imported because the Fiscal Agency has refused to release dollar credits. Most of the above quantities are either for purchase or have recently been purchased, and have not been imported.

FLOODS DAMAGE
PHILIPPINE RICE

Recent heavy rains have reduced the 1960-61 rice crop in the Philippines. On August 18, the crop was reported to be down about 5 percent, and heavy rains continued well into the next week.

By mid-August, rainstorms had smashed dykes and river control dams in Central Luzon, location of nearly 30 percent of the Philippine rice crop. Rice is transplanted there from June to August. The crop was damaged in some other areas, but some of the destroyed plantings could be replanted.

The latest official estimate of the 1959-60 rice crop is 3,668,000 metric tons of rough rice. A 5-percent reduction below that would amount to 185,000 tons (120,000 tons milled).

The Philippine rice market in the first half of 1960 was generally steady. The demand was confined to immediate requirements of the trade; arrivals from producing areas were moderate.

However, wholesale prices and prices to producers showed a strong uptrend in the first half of the year. Retail prices were mixed with prices of superior grades going along with wholesale prices, and low-grade (Macan) prices declining. The decrease was attributed to an abundant supply of lower grades which comprise the bulk of production.

The rise in wholesale prices for low-grades was reported to be largely speculative, apparently influenced by a reported lower production in 1959-60, and 2 typhoons in the second quarter of 1960.

RICE: Philippine average wholesale prices, by months, January 1959-June 1960

Month and year	Rough rice 1/	Milled	
		High 2/	Low 3/
	Dollars per 100 lbs.	Dollars per 100 lbs.	Dollars per 100 lbs.
1959:			
January	5.08	8.98	7.65
February	4.33	7.90	6.88
March	4.20	7.90	6.73
April	4.18	7.90	6.68
May	4.24	7.90	6.68
June	4.32	7.90	6.98
August	4.44	7.96	7.09
October	4.54	8.10	7.09
December	4.34	8.10	7.09
1960:			
January	4.03	8.10	6.91
February	4.07	8.10	6.88
March	4.37	8.20	6.99
April	4.72	8.81	7.28
May	4.99	8.93	7.69
June	5.06	9.31	8.02

1/ Delivered Cabanatuan, Nueva Ecija. 2/ First-class Elonelon, Manila. 3/ Second-class Macan, Manila.

Philippine Bureau of Commerce.

AUSTRALIAN WHEAT AND FLOUR EXPORTS REMAIN HIGH THROUGH JUNE

Australian wheat and flour exports during the fiscal year ending June 30, 1960 totaled 122 million bushels, 38 percent more than in the previous year. With the exception of the United Kingdom, all traditional major buyers took increased quantities, while poor crops in the Middle East opened up that area for additional sales.

Wheat exports were 95.4 million bushels, compared with 54.6 million the year before. Countries taking substantially larger quantities were Inida (11.7 million bushels, compared with 1.3 million), Iran (4.5 million bushels, compared with 0.2 million), Iraq (8.4 million bushels, compared with 1.1 million), Japan (13.8 million, compared with 0.8 million), and Pakistan (3.9 million bushels, compared with 0.7 million).

WHEAT AND FLOUR: Australian exports, July-June 1958-59 and July-June 1959-60

Country of destination	July-June 1958-59			July-June 1959-60 1/		
	Wheat	Flour 2/	Total	Wheat	Flour 2/	Total
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Europe:						
West Germany	1,754	—	1,754	3,781	3/	3,781
Ireland	3,590	—	3,590	680	1	681
United Kingdom	21,226	2,091	23,317	20,395	2,126	22,521
Others	74	9	83	1,509	16	1,525
Total	26,644	2,100	28,744	26,365	2,143	28,508
Asia:						
Aden	281	1,601	1,882	325	1,180	1,505
Ceylon	8	2,815	2,823	9	6,633	6,642
Hong Kong	2,184	218	2,402	2,388	257	2,645
India	1,317	4	1,321	11,706	27	11,733
Indonesia	—	1,814	1,814	2/	1,549	1,549
Iran	218	19	237	4,467	5	4,472
Iraq	1,058	19	1,077	8,447	3/	8,447
Japan	7,568	2	7,570	13,846	—	13,846
Lebanon	—	—	—	957	—	957
Malaya & Singapore	797	6,502	7,299	5,049	8,638	13,687
Pakistan	720	5	725	3,875	—	3,875
Philippines	258	212	470	786	170	956
Others	915	2,556	3,471	1,273	2,748	4,021
Total	15,324	15,767	31,091	53,128	21,207	74,335
Africa:						
Rhodesia & Nyasaland	2,077	137	2,214	3,314	255	3,569
Union of South Africa	1,492	12	1,504	2,267	8	2,275
Others	838	1,296	2,134	650	1,146	1,796
Total	4,407	1,445	5,852	6,231	1,409	7,640
Oceania:						
New Zealand and Dependencies	8,230	103	8,333	7,904	1	7,905
British Pacific Islands	7	649	656	4	943	947
Others	20	417	437	201	634	835
Total	8,257	1,169	9,426	8,109	1,578	9,687
Unspecified	—	53	53	1,536	4	1,540
World total	54,632	20,534	75,166	95,369	26,341	121,710

1/ Preliminary. 2/ Grain equivalent. 3/ Less than 500 bushels.

Compiled from official and other sources.

Flour exports during 1959-60 were 26.3 million bushels compared with 20.5 million in 1958-59. Most of the increase was due to larger sales to Ceylon (6.6 million bushels, compared with 2.8 million), and Malaya and Singapore (8.6 million bushels, compared with 6.5 million).

Due to a good harvest in late 1959 and early 1960, the wheat supply at the end of June was considerably higher than a year earlier. As a result, more wheat and flour are expected to be shipped out during the next few months than in the beginning months of 1959-60.

WEATHER HURTS DUTCH
DRY PEA CROP

Wet, stormy weather has been reported in the Netherlands, Belgium, France and the United Kingdom, some of the principal dry pea producing countries of Europe.

Only the Dutch pea crop has been reported, preliminarily as of about August 7. This report states that the pea plants recovered rapidly in June from heavy rains in May, but the pods contained fewer and smaller peas than normal, especially in the case of blue peas. There is considerable bleach and stain, and quality varies widely.

The preliminary estimate of the Dutch 1960 production is 2,260,000 bags on 72,000 acres. This compares with 2,314,000 bags on 77,000 acres in 1959.

One substantial Dutch firm believes that the season's exportable supply will be down considerably because of high percentage of wast. Unless hand picking is resorted to, many peas will be sold for animal feed. There is some unestimated stock of old peas.

CUBA ALLOCATES 1960 I.W.A.
WHEAT AND FLOUR QUOTA

An August 18, 1960 order of the Cuban Minister of Commerce sets forth the 1960-61 (August-July) distribution of the country's International Wheat Agreement and flour quota of 248,000 metric tons. All imports must be made through the Cuban Foreign Trade Bank.

Trade sources indicate that at least 40,000 tons will be supplied by the Soviet Union. In the past 3 years all of the imports came from the United States and Canada. The wheat equivalent of the wheat and flour exports of these countries to Cuba in that period follow: 1957-58, United States, 201,700 tons, and Canada, 14,400 tons; in 1958-59, United States, 215,800 tons and Canada, 9,700 tons; and in 1959-60, United States, 242,100 tons and Canada, 5,500 tons.

Allocations of the 1960-61 quota follow: Burrus Flour Mills, 100,000 tons of wheat; Molinera Oriental, S.A., 50,000 tons of wheat; other registered users, 98,000 tons of wheat or the flour equivalent. The latter quantity is allocated as follows:

Processors of wheat products, 2,000 tons of wheat;
Manufacturers of alimentary pastes and fine crackers, 31,000 tons of wheat or the flour equivalent;
Bakeries, pastry shops and cracker factories, 6,827 tons of flour;
Owners and operators of mixed stores, 47,236 tons of flour; and
"Peoples" Stores and the Cuban Foreign Trade Bank, 7,476 tons of wheat or the flour equivalent.

RUSSIAN WHEAT ARRIVES IN CONGO

A Russian ship recently arrived at Matadi, Republic of Congo, with a contribution of 9,000 metric tons of wheat for United Nation's relief work. In terms of flour, the 9,000 metric tons represents about 15 percent of the total annual flour imports of the Congo.

Unfortunately, there are no facilities at Matadi for unloading bulk wheat and no storage facilities. Moreover, the Republic of Congo has no milling facilities to grind the wheat. The hope was that French flour mills at Dakar might be able to mill the wheat for U. N. distribution provided they do not have commitments for their regular wheat flour customers in Africa.

SOUTH AFRICAN WHEAT IMPORTS EXPECTED TO INCREASE

Since wheat consumption is continuing to outstrip wheat production in the Union of South Africa, that country's imports of this grain are expected to increase from 12,100,000 bushels in 1958-59 (November-October) to about 30,000,000 in 1975.

The 1958-59 season was the first since 1954-55 during which a substantial quantity of wheat had been imported. This was due mainly to relatively low domestic production during that season. The latest estimate of the 1959-60 imports is only 6,300,000 bushels. The decline from 1958-59 is attributed to a substantial recovery in domestic production in 1959-60.

However, domestic wheat consumption has been increasing during recent years at the expense of corn and this trend is expected to continue. It increased from 35,500,000 bushels in 1957-58 to 36,100,000 in 1958-59 and to an estimated 36,700,000 in 1959-60. By 1975 it is expected to reach 60,000,000 bushels.

On the other hand, domestic wheat production, which totaled 25.4 million bushels in 1959-60 (harvesting in November-December), is limited by climatic and other physical conditions. During the four preceding seasons it ranged from 23.5 million bushels in 1958-59 to 31.2 million in 1956-57.

The increase in domestic wheat consumption is occurring largely among the native Bantus. Corn and corn products had been their staple cereal diet for centuries but with rising standards of living they have during recent years been changing to wheat bread and other wheat products.

CANADIAN MILLS USE LESS COTTON IN 1959-60

Canadian cotton consumption, based on the number of bales opened by mills, amounted to 333,000 bales (500 pounds gross) during the 1959-60 season (August-July). This was 8 percent below the 362,000 bales the previous season.

Consumption in July 1960 dropped to a seasonal low of 17,000 bales, compared with 28,000 bales in June, and 18,000 in July 1959. The low July level was attributed largely to annual mill vacations.

U. S. SHARE OF WORLD COTTON MARKET UP SUBSTANTIALLY

U. S. cotton filled a substantially larger proportion of total cotton imports into most consuming countries during the first three quarters of the 1959-60 season, compared with a year earlier.

The U. S. share of total imports during the reported periods increased in 13 of the 15 cotton-consuming countries in the accompanying table, while the volume of U. S. imports was larger in 14 of the countries listed. Total cotton imports increased in all of the countries under review as the textile industries in most countries report favorable conditions.

When data are available for the full 1959-60 season (August-July), they likely will show the U. S. filling a somewhat larger share of cotton imports in major consuming countries as exportable supplies in most major producing countries were substantially reduced early in the season. U. S. exports are expected to total about 7.1 million bales during 1959-60, against 2.8 in 1958-59.

COTTON: Imports into specified markets, and United States share, portions of 1958-59 and 1959-60 marketing years as shown

(Bales of 500 pounds gross)

Importing country	Reporting period	1958-59			1959-60		
		Total	U. S.	U. S. share	Total	U. S.	U. S. share
		1,000 bales	1,000 bales	Percent	1,000 bales	1,000 bales	Percent
Austria	Aug-Apr.	77	37	48	99	33	33
Belgium	Aug-Mar.	271	56	21	336	133	40
Canada	Aug-Mar.	175	53	30	236	192	81
Denmark	Aug-Apr.	26	10	38	38	20	53
Finland	Aug-June	68	15	22	87	32	37
France	Aug-June	996	258	26	1,415	640	45
Germany, West	Aug-Apr.	834	141	17	1,360	455	33
Hong Kong	Aug-Apr.	223	85	38	271	155	57
India	Aug-Mar.	180	24	13	295	46	16
Italy	Aug-Mar.	504	228	45	678	267	39
Japan	Aug-May	2,017	552	27	2,740	1,309	48
Netherlands	Aug-Apr.	229	19	8	316	146	46
Sweden	Aug-Apr.	81	54	67	98	83	85
Switzerland	Aug-June	131	15	11	192	87	45
United Kingdom	Aug-May	843	272	32	1,187	506	43

NIGERIA'S 1959-60 COTTON CROP AND EXPORTS LOWER

Nigeria's 1959-60 cotton crop is estimated at around 150,000 bales (500 pounds gross)--down 6 percent from the 160,000 bales the previous season. The decline was attributed mainly to insufficient rain, particularly in the northern region where most of Nigeria's cotton is grown. Cotton acreage for 1959-60 is estimated at 800,000 acres, about the same as in 1958-59.

Exports amounted to 94,000 bales during the first 3 quarters (August-April) of the 1959-60 season, 35 percent less than the 144,000 bales shipped in the corresponding period of the previous season. Exports during the full 1959-60 season likely will be considerably below record exports of 198,000 bales in 1958-59, due to the smaller crop in 1959-60 and sharply reduced beginning stocks of an estimated 35,000 bales, compared with 110,000 bales at the start of the 1958-59 season.

From one-half to two-thirds of Nigeria's cotton exports normally are shipped to the United Kingdom, with most of the remainder going to other western European countries.

Domestic consumption during 1959-60 was estimated at 30,000 bales, about the same as the previous season.

PHILIPPINES TO BAR ALIENS FROM CORN, RICE INDUSTRIES

A law signed by the President of the Philippine Republic on August 2, 1960, transfers all phases of production and marketing of corn and rice and their byproducts into the hands of Philippine nationals by December 31, 1962 and of milling and warehousing of such products by December 31, 1963.

To finance such transfers the Bank of the Republic is authorized to set up a revolving fund of 50 million pesos ($22 million) to be loaned to milling, processing, warehousing and marketing interests at 7 percent interest, and a minimum of 50 million pesos to be loaned at 6 percent interest to corn and rice producers.

A Rice and Corn Board has been established to administer the law. Members are the Secretaries of Commerce and Industry, Agriculture and Natural Resources Governor of the Central Bank, President of the National Bank, Chairman of the Development Bank of the Philippines, 1 representative of millers and warehousemen, 2 representatives of corn and rice producers, 1 representative of retailers and wholesalers, 1 representative of consumer cooperatives, and 1 representative of labor. An Advisory Council has been set up to assist the Board in formulation of regulations needed to implement the law.

It has been stated that nothing in the law is to impair or abridge any rights granted to citizens or juridical entities of the United States under existing treaties or agreements between the Republic of the Philippines and the United States.

CUBA SETS UP IMPORT MONOPOLY FOR WHEAT, FLOUR, RICE AND PULSES

A recent order of the Cuban Minister of Commerce authorized the Cuban Foreign Trade Bank to function as the sole importer of a number of commodities including wheat and wheat flour, rice, corn, and beans, lentils, peas, chickpeas. The Minister said the action was necessary to maintain normal supplies at reasonable prices. The order does not apply to contracts signed prior to July 15, 1960.

MALAYAN COPRA AND COCONUT OIL EXPORTS INCREASE IN JANUARY-JUNE 1960

Net exports of copra and coconut oil from the Federation of Malaya, and Singapore, totaled 14,101 long tons, oil or oil equivalent, during the first 6 months of 1960. In the January-June period 1959, Malaya was a net importer of only 2,897 long tons. Increases in exports this year, reflecting increased production, are attributed primarily to the heavy rainfall in the Federation during 1959.

Since shipments of copra from Indonesia continued to decline this year, January-June imports of copra by Malaya and Singapore were almost 15 percent under the volume in 1959. On the other hand, copra exports from Malaya and Singapore were up one-third, as sharply increased shipments to India, Iraq, Spain and Sweden more than offset declines to other important consuming countries.

Coconut oil exports also increased by one-third during January-June 1960. A slight decline in exports to Europe was more than offset by increased shipments to Asia, Africa and North America. In Europe, Spain and Italy have been important markets this year for both copra and oil, reducing somewhat the loss of purchases in other areas of Europe, including the U.S.S.R. In Africa, Egypt and the Union of South Africa are increasing their purchases of oil from Malaya and Singapore. In Asia, India and Iraq are purchasing more copra, while Mainland China and Pakistan are emerging as important takers of oil.

FEDERATION OF MALAYA, AND SINGAPORE: Copra and coconut oil exports, imports, and net exports, average 1935-39, annual 1959 and January-June 1959 and 1960

Country	Copra				Coconut oil			
	Average 1935-39	1959 1/	January-June 1959 1/	January-June 1960 1/	Average 1935-39	1959 1/	January-June 1959 1/	January-June 1960 1/
EXPORTS	Long tons	Long tons	Long tons	Long tons	Long tons	Long tons	Long tons	Long tons
North America	360	---	---	---	618	3,586	711	1,277
South America	---	2,500	2,500	---	4	498	---	---
Europe:								
Denmark	1,745	488	488	200	5	---	---	---
France	14,192	---	---	---	40	246	---	317
Germany, West	2/ 47,495	7,743	6,000	---	2/ 398	1,536	447	174
Italy	10,487	1,200	---	583	48	5,256	1,060	2,499
Netherlands	29,585	7,045	5,303	5,000	504	4,666	3,146	1,521
Norway	4,989	---	---	---	41	---	---	---
Poland	3,420	---	---	---	---	---	---	---
Spain	709	2,098	900	4,665	---	---	---	---
Sweden	2,641	2,789	1,289	2,500	1,383	40	40	438
U.S.S.R.	---	---	---	---	---	1,000	1,000	---
United Kingdom	57,750	392	289	---	8,858	1,248	609	669
Yugoslavia	90	---	---	---	---	---	---	---
Other	1,296	---	---	---	62	237	---	398
Total	174,399	21,755	14,269	12,948	11,339	14,229	6,302	6,016
Africa:								
Egypt	4,541	---	---	---	4,083	267	75	1,309
Morocco	3/ 99	---	---	---	3/ 1	---	---	---
Union of South Africa	---	---	---	---	547	3,671	1,732	2,115
Other	---	---	---	---	309	380	207	179
Total	4,640	---	---	---	4,940	4,318	2,014	3,603
Asia:								
Burma	---	1,363	471	494	3,458	4,779	1,389	1,060
China, Mainland	3,926	---	---	---	1,134	2,905	---	3,380
China, Taiwan	---	---	---	---	---	831	479	432
Hong Kong	---	4/	4/	---	826	460	222	263
India	107	26,569	10,449	25,092	19,068	1,055	796	---
Indonesia	---	---	---	---	3,813	185	82	100
Iraq	---	2,100	900	2,650	---	462	100	165
Japan	1,676	10,692	6,242	5,573	---	---	---	---
Pakistan	---	---	---	6	---	975	6	1,484
Other	297	706	378	279	1,108	4,962	2,495	1,832
Total	6,006	41,430	18,440	34,094	29,407	16,614	5,569	8,716
Oceania	---	---	---	---	362	1	---	6
Grand total	5/191,691	65,685	35,209	47,042	6/ 47,110	39,246	14,596	19,618
IMPORTS								
British Possessions	10,278	2,520	305	608	4/	1,092	169	614
Indonesia	105,501	89,327	61,468	52,154	329	774	130	956
Other	2,472	850	728	542	246	---	---	1
Grand total	118,251	92,697	62,501	53,304	575	1,866	299	1,571
Net exports	73,440	-27,012	-27,292	-6,262	46,535	37,380	14,297	18,047
Net exports of copra and coconut oil,								
copra equivalent	147,305	32,321	-4,599	22,384				
oil equivalent					92,802	20,362	-2,897	14,101

1/ Preliminary. 2/ Total Germany. 3/ Territory formerly known as French Morocco. 4/ Less than .5 ton.
5/ Includes 6,286 tons to "other countries". 6/ Includes 440 tons to "other countries".

Compiled from official sources.

SUEZ CANAL SOYBEAN SHIPMENTS FINALLY DROP IN MAY

The tonnage of Communist Chinese soybeans moving northward through the Suez Canal in May dropped sharply from levels of several preceding months but was slightly larger than the volume in May 1959.

In May this year the movement was 2.9 million bushels, a decline of one-half a million bushels from the monthly average of 3.4 million bushels in October-April 1959-60, and 1.2 million bushels below the total in April 1960 (see Foreign Crops and Markets, August 15). May copra shipments also were down sharply from earlier months but were slightly above the corresponding month a year earlier. The 30,000 tons of copra moving northward in May was just half the average monthly tonnage in October-April 1959-60.

Total oilseed shipments through the Suez in October-May 1959-60 were 405,000 tons larger than the tonnage in the first 8 months of the previous marketing year. Larger quantities of soybeans and copra accounted for most of the increase, although shipments of flaxseed and miscellaneous oilseeds were up substantially. Peanut shipments, down about 10 percent, and cottonseed shipments, down 40 percent, are a relatively small share of the total, and even sharp changes in tonnages of these commodities have only a small impact on total tonnage.

OILSEEDS: Suez Canal, northbound shipments by kind, May 1959 and 1960, October-May 1958-59 and 1959-60

Item	May		October-May	
	1959	1960	1958-59	1959-60
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
Soybeans	83.8	86.0	605.2	900.6
Copra	27.6	29.8	339.5	445.3
Peanuts	20.9	20.9	124.6	113.5
Cottonseed	22.0	16.5	104.7	62.8
Flaxseed	3.3	2.2	19.8	30.9
Others	25.4	25.4	162.0	208.3
Total	183.0	180.8	1,355.8	1,761.4

1/ To convert to bushels use 33.3 bushels per ton. 2/ To convert to bushels use 35.7 bushels per ton.

Suez Canal Authority, Monthly Bulletin, (Cairo, Egypt).

COLOMBIAN COTTONSEED PURCHASES NOW MANDATORY

Vegetable oil mills in Colombia must purchase a fixed quota of domestically produced cottonseed in 1960, according to a recent official resolution. The resolution, passed to assure usage of local cottonseed, fixes quotas to individual mills totaling 66,000 tons. Oilseed production in Colombia is inadequate to supply domestic needs, and most mills have been willing to purchase available supplies of cottonseed, so the measure probably will have little effect on the processing industry.

SOYBEAN PRODUCTION IN RIO GRANDE DO SUL SMALLER THAN EXPECTED

The 1960 soybean crop in Rio Grande do Sul, Brazil, is now estimated at about 5.9 million bushels, somewhat less than earlier indications (see Foreign Crops and Markets, June 20), but still somewhat larger than the 1959 outturn of about 5.0 million bushels. Rio Grande do Sul produces about 90 percent of the total Brazilian output of soybeans.

Prices have moved sharply upward and quotations early in August were close to Cr $750 per 60-kilo bag ($1.83 per bushel converted at the free market rate of Cr $185.69 to U.S. $1.00) compared with Cr $420 ($1.25 converted at the July 31, 1959 free market rate of Cr $151.90 to U.S. $1.00) for the previous harvest. If the soybeans were exported at current international price levels, growers would receive Cr $800 ($1.95). However, despite the fact that the foreign market is attractive, the Brazilian Government may issue export licenses for only limited quantities of soybeans because of the need to satisfy domestic demand.

UNITED STATES DEPARTMENT OF AGRICULTURE

WASHINGTON 25, D. C.

Official Business

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE